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PREPARATORY COMMITTEE FOR THE WORLD
SUMMIT FOR SOCIAL DEVELOPMENT
Inter-sessional informal consultations
24-28 October 1994

DRAFT DECLARATION

Background note presented by the Chairman

INTRODUCTION

1. We, Heads of States and Government, have gathered in Copenhagen on the eve of the fiftieth anniversary of the United Nations to give the highest priority to social development, in the cause of the betterment of the human condition, now and into the twenty-first century.

2. We acknowledge that the people of the world have signalled in different ways an urgent need to address profound social problems pervasive in all societies, particularly poverty, lack of productive employment and social disintegration.

3. We want to capture the unique opportunity offered by the end of the Cold War to launch a new era of cooperation, based on a spirit of partnership, and a new movement directed towards well-being for all that puts the needs and aspirations of people at the centre of our decisions.

4. We recognize that growth and social development are interdependent and promote each other. Sustainable economic growth is a prerequisite for social development, while social development is a necessary foundation for equitable economic expansion.

5. To this end, we commit ourselves to this Declaration and Programme of Action.

PART I

CURRENT SOCIAL SITUATION AND REASONS FOR THE SUMMIT

1. We are witnessing unprecedented progress but also unspeakable misery. The expansion of prosperity is being accompanied by an expansion of poverty. This glaring contradiction is unacceptable and dangerous.

2. Globalization - which is a consequence of enhanced communications, greatly increased trade and capital flows and technological developments - opens new opportunities for development and growth of the world economy. At the same time, the rapid processes of change and adjustment have resulted in inequality and marginalization, both within and among countries. These trends have had a particularly sharp impact on developing countries. The challenge is how to manage these processes in a manner that enhances their benefits and mitigates their negative effects on people. Globalization also provides opportunities to share experiences and learn from one another's achievements and difficulties, and for a cross-fertilization of ideals, values and aspirations, and a renewal of institutions. It also provides an enhanced opportunity to work to achieve shared goals in an accelerated manner through common endeavour, pursued in a framework of trust, cooperation and recognition of universal destiny.

3. There has been progress in some areas:

(a) The wealth of nations has multiplied seven-fold in the past 50 years, and trade has grown even more dramatically;

(b) Life expectancy, literacy and primary education have increased in the majority of countries, and average infant mortality in developing countries has been reduced;

(c) Advances have been made in the expansion of pluralistic and democratic institutions and civil liberties.

4. Yet we recognize that many people in the world are affected by growing distress:

(a) Within many societies, both in industrialized and developing countries, the gap between the rich and the poor has increased but more so in the developing countries. Further, the gap between the less developed countries and both other developing and developed countries has also increased;

(b) There are serious social problems and problems of transition in countries experiencing fundamental and democratic changes in their political systems;

(c) More than 1 billion people in the world live in abject poverty, and more than half go hungry every day. A large proportion of men and women, particularly in Africa and the least developed countries, have no or very meagre access to income and resources;

(d) Over 120 million people world wide are officially unemployed, and many more remain underemployed. Too many young people including those who have completed their education, see little or no hope of integrating into their society through productive work;

(e) Far too many people, particularly women, increasingly face vulnerability, isolation, marginalization, violence and insecurity about the future - their own and their children's - as poverty, unemployment and social disintegration seem to become pervasive and mutually reinforcing features of the contemporary world.

5. While these problems are global in character and affect all countries, we clearly acknowledge that the situation of developing countries, particularly countries in Africa and the least developed countries, is critical and requires special attention. We also acknowledge that countries undertaking fundamental economic, social and political changes require the support of the international community.

6. We know that poverty, lack of productive employment and social disintegration represent a waste of human resources and ineffectiveness in the functioning of markets, societal institutions and processes. They are an offence to human dignity. We can only continue to hold the trust of the people of the world if we make their needs our priority.

7. Action to these ends must be supported by continuing efforts to reduce and eliminate other major sources of social distress - regional, ethnic and armed conflicts. In this context the dramatically negative impact, on all development, of the trade in and acquisition of arms must be recognized and acted upon.

8. Our challenge is to respond to the immediate needs of those who are most affected by human distress, to establish a people-centred framework for social development to guide us now and in the future, and to build a culture of cooperation and partnership. We are determined to meet this challenge and promote social development throughout the world.

PART II

PRINCIPLES AND GOALS

9. We, Heads of States and Governments, are committed to a political and ethical vision for social development based on human dignity, equality, respect, mutual responsibility and cooperation. Accordingly, we will give the highest priority in national, regional and international policies and actions to the promotion of social progress and the full realization of the human condition.

10. To this end we shall create a framework for action that:

(a) Places people at the centre of development and the economy at the service of human needs;

(b) Respects the need for global human well-being and productive life, fulfilling our responsibility for present and future generations, respecting intra-generational equity and protecting the integrity and sustainable use of our environment;

(c) Recognizes that social development is a national responsibility whose full success will be made more likely through enhanced international support;

(d) Takes full account of the interdependence of economic and social, public and private spheres of activity, integrates economic and social policies so that they become mutually supportive in the interest of the well-being and dignity of all humankind, and addresses the underlying causes of poverty, unemployment and social disintegration;

(e) Promotes human dignity, social justice and solidarity at the national and international levels; ensures tolerance, non-violence and pluralism in full respect for diversity within and among societies;

(f) Promotes a more just distribution of income and access to resources through policies geared towards equity and equality of opportunity at all levels;

(g) Recognizes the family as the basic unit of society and acknowledges that it plays a key role in social development and, as such, should be strengthened. It is entitled to receive comprehensive protection and support in its various forms in different cultural, political and social systems;

(h) Promotes and protects universally recognized human rights, including the right to development; promotes rights and responsibilities ensuring social progress and security for all; encourages the search for the common good and harmonious relations between human beings and our environment; promotes equity and equality between men and women;

(i) Supports progress and security for people and communities whereby every member of our global society is enabled to satisfy basic human needs and to realize personal dignity, safety, creativity and potential;

(j) Underlines the importance of good governance with integrity, respect, transparency, efficiency, effectiveness and accountability in all public and private, national and international institutions; ensures that the choices made by Governments, entrepreneurs, members of civil society, including trade unions, non-governmental organizations, cooperatives, and other community organizations, members of international organizations and financial institutions and, ultimately, all citizens of the world, support the long-term well-being of people everywhere;

(k) Recognizes that people are the principal resource for development and are often rich in skills. Thus, they must be enabled and empowered, particularly the poor and the disadvantaged, to participate in the decisions affecting their lives, based on trust, reciprocity, involvement and mutual support;

(l) Encourages the improvement of community participation, freedom of association, and self-reliance, which contribute socially and economically to a higher quality of welfare and productive life for all;

(m) Addresses, through various forms of cooperation, global problems and threats such as communicable diseases, organized crime, drug abuse, drug trafficking and related criminality and terrorism, and expenditures on arms.

11. We acknowledge the primary responsibility of Governments to attain these goals. We also acknowledge that they cannot be achieved by Governments alone. The international community, the United Nations and all sectors of society need to contribute their own share of efforts and resources to narrowing disparities within and among countries in a global effort to reduce social tensions and create greater stability and security. We invite all people to express their personal commitment to enhancing the human condition by taking concrete action in their own fields of activity and by assuming specific civic responsibilities.

PART III

COMMITMENTS

12. On the basis of our common vision, which aims at social justice and equity within and among countries, in full respect for national sovereignty and policy objectives, development priorities and religious and cultural diversity, we launch a global drive for social progress and development embodied in the following commitments.

Commitment 1

We commit ourselves to creating an enabling economic and social and political and legal environment conducive to social development, at all levels.

Economic and social environment

To this end, at the national level, we shall:

(a) Foster a policy and institutional environment that promotes dynamic, open, competitive markets together with expanded and equitable access to markets by all people, particularly the poorest and most disadvantaged;

(b) Mobilize resources, on a priority basis, for social development goals and objectives, while ensuring their effective utilization.

At the international level, we shall:

(c) Formulate and coordinate macroeconomic policies to facilitate sustainable development and reduced protectionism in the world economy, improved financial order and stability and access of developing countries to markets, productive investments and technologies, with due consideration for the needs of countries with economies in transition;

(d) Promote a healthy international environment that encourages long-term investments, reduces the volatility of international capital flows, develops enterprises that are productive and that create jobs, are socially responsible and respect the environment;

(e) Support, particularly through technical and financial cooperation, the efforts of developing countries geared towards rapid, broadly based sustainable development, especially in lower-income countries where the problems of widespread poverty and social breakdown are most acute and domestic resources are scarcest.

Political and legal environment

To this end, at the national level, we shall:

(a) Provide a stable legal framework, promote equity, equality of opportunity for all women and men, promote and ensure respect for human rights, fundamental freedoms and the rule of law, end de jure and de facto discrimination, and promote representative organizations of civil society;

(b) Promote the full participation of all in the formulation and implementation of decisions affecting the functioning and well-being of our societies;

(c) Reinforce the means and capacities for people to participate in the formulation and implementation of social and economic programmes, through decentralization and a strengthening of the abilities and opportunities of civil society, and for local communities to develop their own organizations, resources and activities;

(d) Ensure that people have access to a wide range of data, knowledge, information, and opinion, which are necessary to the promotion of social development.

At the international level, we shall:

(e) Ensure that internationally agreed measures on the trade, investment, technology, debt and ODA are implemented in a manner that fosters positive social development;

(f) Ensure that universally recognized human rights, including the right to development as a basic and a fundamental right, are applied widely and effectively.

Commitment 2

We commit ourselves to the goal of eradicating poverty in the world, through decisive national action and international cooperation, as a moral, political and economic imperative of humankind.

To this end, at the national level, we shall:

(a) Formulate and strengthen national strategies with specific time-bound commitments substantially to reduce overall poverty and eradicate extreme poverty;

(b) Focus our efforts and policies on addressing the root causes of poverty and providing for the basic needs of all, including the elimination of hunger and malnutrition, primary health-care and voluntary family planning, safe drinking water and basic sanitation, universal primary education, and adequate shelter;

(c) Ensure that people living in poverty have access to work, credit, information and knowledge and benefit from an enabling policy and regulatory environment that enhances their overall capacities and empowers them to participate in and benefit from social and economic development;

(d) Stimulate rapid, broadly based economic growth to permit people living in poverty to take advantage of expanding employment and economic opportunities;

(e) Develop and implement policies for ensuring that all people have adequate economic and social protection during unemployment, ill health, child-rearing, disability and old age;

(f) Give special priority to the needs of women and children, who bear the greatest burdens of poverty;

(g) Review national policies and budgets so as to orient them towards meeting basic needs and reducing inequalities.

At the international level, we shall:

(h) Support, through technical and financial assistance, the effective and sustainable efforts of developing countries to achieve rapid, broadly based growth which will substantially reduce poverty and promote social progress in the near term, particularly in lower-income countries where poverty and other social problems are most acute and domestic resources most scarce;

(i) Ensure that international institutions, particularly the multinational financial institutions, assist developing countries and all countries in need in their efforts towards the achievement of our overall goal of eradicating poverty and ensuring basic social protection;

(j) Remove all impediments at the international level to the eradication of poverty through sustained regional and international cooperation.

Commitment 3

We commit ourselves to enabling all people to earn secure and sustainable livelihoods through freely chosen productive employment and to maintaining the goal of full employment.

To this end, at the national level, we shall:

(a) Promote productive employment in all domains of economic activity, in urban and rural areas, and in all sectors, by, among other means, self-employment;

(b) Put the creation of adequately remunerated employment and the reduction of unemployment at the centre of the strategies and policies of Governments, with the full participation of employers and trade unions and with full respect for workers' rights;

(c) Encourage investment and promote technologies that generate productive employment;

(d) Expand work opportunities and productivity by investing substantially in the development of human resources, especially through the provision of education and health care, by encouraging self-employment and small enterprises, and of improving access to credit, information and infrastructure;

(e) Ensure that workers and entrepreneurs have the training needed to adapt to changing technologies and labour markets and are able to exercise their skills and abilities to the fullest extent possible;

(f) Explore innovative options for employment creation and the fair distribution of work;

(g) Recognize the important contribution of unpaid work, such as volunteer work, the care of the elderly or people with disabilities, and the rearing of children, to societal well-being and social development;

(h) Give particular importance to youth employment and the transition from education to active professional life;

(i) Address the problems of structural and long-term unemployment.

At the international level, we shall:

(j) Ensure that migrant workers benefit from the protections provided by all relevant national and international instruments;

(k) Pursue the goal of ensuring quality jobs, with full respect for relevant ILO conventions;

(l) Ensure that the promotion of productive employment in all nations is central to the policies and activities of all international and regional organizations that support development.

Commitment 4

We commit ourselves to promoting social integration and participation of all people by fostering societies that are stable, safe and just.

To this end, at the national level, we shall:

(a) Eliminate all forms of discrimination and exclusion and ensure respect for universal human rights and fundamental freedoms;

(b) Promote democracy, the rule of law, good governance and the full participation of all citizens in the political process;

(c) Address crime, violence, drug abuse and terrorism and their underlying causes as factors of social integration;

(d) Encourage the sharing of the basic values of respect for pluralism and diversity, tolerance and responsibility, which are essential to a harmonious functioning of society;

(e) Ensure the protection and full integration of disadvantaged and vulnerable groups and individuals, including children, the elderly and people with disabilities;

(f) Adopt specific measures to develop respect for cultural diversity and for the human rights and needs of refugees, internally displaced persons and migrants;

(g) Recognize and respect the identity, culture and interests of indigenous people and support their aspirations to be self-sufficient and participate fully in the social, economic and political life of the nation;

(h) Strengthen institutions which enhance social integration, recognizing the central role of the family;

(i) Encourage educational systems and communication media to raise people's understanding and awareness of all aspects of social integration, including non-violence, tolerance and solidarity.

At the international level, we shall:

(j) Encourage the ratification and full implementation of all international instruments relevant to the elimination of discrimination and the protection of human rights;

(k) Enhance the role of all regional and international institutions in promoting tolerance, respect for cultural diversity and participation in global development and social progress.

Commitment 5

We commit ourselves to achieving full equity and equality between women and men and to recognizing and enhancing the participation of women in social progress and development.

To this end, at the national level, we shall:

(a) Promote changes in attitudes, policies and practices in order to eliminate all obstacles that prevent full gender equity and equality and full participation of women in society;

(b) Establish policies, objectives and measurable goals to reduce gender differentials;

(c) Promote gender balance in economic and political decision-making processes at all levels and in the formulation and implementation of public policies;

(d) Enhance and broaden women's economic opportunities, including full and equal access to education, training, skill development, employment, credit, property, and other economic resources;

(e) Make the empowerment of women a priority goal of development through the attainment of universal literacy and other improvements in their economic, health, educational, political, social and legal status;

(f) Take effective measures to eliminate all kinds of exploitation, abuse and violence against women, with particular attention to women refugees and women in situations of armed conflict;

(g) Enhance equality and partnership between women and men in sharing the responsibilities of family life, work and society, and also enhance a more equitable sharing of economic and political power so as to promote social development, democracy and peace.

At the international level, we shall:

(h) Encourage the ratification, removal of reservations, and implementation of all provisions of the Convention on the Elimination of All Forms of Discrimination against Women and other relevant instruments, and implementation of the Nairobi Forward-Looking Strategies for the Advancement of Women.

Commitment 6

We commit ourselves to promoting the economic, social and human resource development of Africa and the least developed countries.

To this end, at the national level, we shall:

(a) Take effective measures to ensure the eradication of poverty and the improvement of health facilities, education, shelter and nutrition;

(b) Promote domestic and foreign direct investments with a view to assisting social development;

(c) Strengthen national capacity in the planning, management and implementation of social and economic development programmes.

At the international level, we shall:

(d) Find a realistic, comprehensive and sustainable solution to the external debt problem by taking urgent action and measures - inter alia, the cancellation of bilateral debt in the framework of the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s and, no later than 1996, the International Year for the Eradication of Poverty;

(e) Take special measures to promote the expansion of trade through better access to the markets of the developed countries, better commodity prices and the strengthening of South/South cooperation;

(f) Support the economic reforms and commodity diversification efforts of African countries;

(g) Increase official development assistance, both in total and for social programmes, without reducing the resources allocated to other sectors;

(h) Ensure the implementation of the strategies and measures for the development of Africa decided by the international community, and support the development strategies and programmes decided by the African countries and the least developed countries.

Commitment 7

We commit ourselves to ensuring that structural adjustment programmes promote social development goals, including the eradication of poverty, the generation of productive employment and the enhancement of social integration.

To this end, at the national level, we shall:

(a) Ensure that social development objectives are designed into all adjustment policies and programmes, including those resulting from economic transition, globalization and rapid change;

(b) Undertake measures to protect basic social programmes and expenditures - in particular, those affecting the weakest and most vulnerable segments of society - from across-the-board budget reductions;

(c) Review, on a country-by-country basis, the impact of structural adjustment programmes on social development, by means of social-impact assessments and other relevant methods, and develop policies to reduce their negative effects and improve their positive impact;

(d) Reinforce the social development objectives of structural adjustment through policies designed to promote equitable access to income and resources.

At the international level, we shall:

(e) Secure the support and cooperation of regional and international organizations, in particular the Bretton Woods institutions, in implementing

these goals and in further integrating social development goals into their policies, programmes and operations;

(f) Promote the development of a coherent and coordinated approach to social and economic development by fostering cooperation between the Bretton Woods and other multilateral financial institutions and relevant United Nations bodies;

(g) Request the United Nations, in cooperation with the World Bank, the International Monetary Fund and other multilateral development institutions, to study the impact of structural adjustment programmes on economic and social development and to assist adjusting countries in creating conditions for economic growth, job creation, poverty eradication and social development.

Commitment 8

We commit ourselves to generating and allocating sufficient resources at the national and international levels to fulfil our objectives and commitments for social development.

To this end, at the national level, we shall:

(a) Develop economic policies to mobilize domestic savings for productive investment and seek innovative sources of funding, both public and private, for social programmes;

(b) Increase access to credit for small and micro-enterprises, with particular emphasis on the disadvantaged sectors of society, and develop supportive policies for informal enterprises with a view to integrating them progressively into the formal economy;

(c) Ensure that taxation systems are progressive, based on larger contributions from those people who have a greater capacity to pay, and ensure that tax liabilities are collected efficiently and fairly;

(d) Further ensure that tax systems obtain adequate and equitable contributions from business enterprises, in addition to private citizens, in ways that discourage speculative activities which have undesirable effects on development and encourage activities that are genuinely productive and employment-oriented;

(e) Take measures to create a supportive environment for the contribution of voluntary organizations to social development programmes;

(f) Undertake reductions in military expenditures and in investments for arms production, so as to allow the allocation of additional funds for social and economic development.

At the international level, we shall:

(g) Strive for the fulfilment of the agreed target of 0.7 per cent of GNP for overall official development assistance, as soon as possible, and increase

the share of funding for social development programmes, commensurate with the scope and scale of activities required to achieve the objectives and goals of this Declaration and its Programme of Action;

(h) Ensure urgent implementation of existing debt-relief agreements and negotiate further initiatives and innovative measures to eliminate all debts of severely indebted countries at an early date;

(i) Give attention to the needs of the countries with economies in transition with respect to international cooperation and financial assistance;

(j) Mobilize new and additional financial resources from all available funding sources and mechanisms, including multilateral, bilateral and private sources, and on a variety of terms, including concessional and grant terms, according to sound and equitable criteria and indicators;

(k) Increase financing for operational activities of the United Nations and specialized agencies in the field of social development.

Commitment 9

We commit ourselves to a strengthened framework for international cooperation for social development, in a spirit of partnership, through the United Nations and other multilateral institutions.

To this end we shall:

(a) Instruct our representatives to the institutions of the United Nations system, international development agencies and multilateral development banks to ensure that those institutions take appropriate measures for continuous and sustained progress in attaining the goals and commitments agreed to by the Summit;

(b) Implement the Uruguay Round as scheduled, including the complementary provisions specified in the Marrakesh agreements, in recognition of the fact that broadly based growth in incomes, employment, and trade are mutually reinforcing;

(c) Monitor the impact of trade liberalization on progress made in developing countries to meet basic human needs, giving particular attention to new initiatives to expand their trade possibilities;

(d) Develop the framework for international cooperation in economic and social issues which was agreed to in the Charter of the United Nations, including a revitalized role for the Economic and Social Council;

(e) Promote and strengthen the coordination between the United Nations system and the Bretton Woods institutions in the area of social and economic programmes;

(f) Develop capacities at all levels for the implementation of social development policies and programmes, including human resource development, institutional strengthening, research and information systems capacities;

(g) Schedule a second World Summit for Social Development to review progress in the implementation of the present Summit's agreements and to agree on further initiatives, as necessary.

NOTES ON COMMITMENTS

Notes on Commitment 2

Alternative chapeau

We commit ourselves to reducing overall poverty to minimal levels and, where feasible, to eradicating the worst forms of poverty in the shortest possible time-frame, through decisive national actions and international cooperation.

Proposed addition

Prevent or reduce the extreme hardship faced by people living in poverty in situations of conflict and in areas affected by natural disasters and by those affected by involuntary migration.

Notes on Commitment 3

Alternative chapeau

We commit ourselves to developing and adopting policies that expand economic opportunity and promote sustainable economic growth with the objective of enabling all people to have secure and sustainable livelihoods through income-generating activities, including freely chosen productive employment, in all sectors.

Proposed alternative 3 (a)

(a) Devote ourselves to promoting a supportive economic environment, particularly for developing countries, by ensuring an open, equitable, secure, non-discriminatory and predictable international trading system; promoting foreign direct investment; reducing the debt burden; providing new additional financial resources, on a variety of terms, including concessional and grant terms; facilitating access to technologies; and ensuring that structural adjustment programmes are designed and implemented to be responsive to social concerns.

Notes on Commitment 4

Proposed alternative 4 (a)

(a) Ensure that effective laws and institutions exist to prevent discrimination on the grounds of gender, race, ethnicity, regional origin, language, marital status, religion, age or disability, and to prevent and eliminate violence and harassment on these or other grounds.

Former 4 (d) proposed for the Programme of Action

Given the importance of communication and information for social integration and the respect of diversity, promote an understanding and awareness to ensure that the present systems of national and international print and electronic media include space for public communication that is neither Government-controlled nor exclusively profit-oriented.

Proposed addition

Recognize the important contribution of unpaid work, including volunteer work, the care of the elderly or people with disabilities and the rearing of children, to societal well-being and social development.

Notes on Commitment 6

Proposed new chapeau

We commit ourselves to giving particular attention to the economic, social and human development of Africa and pledge to cancel, on an urgent basis, all ODA debt to the severely indebted low-income countries, particularly those in sub-Saharan Africa.

(It was proposed that the subcommitment on debt be deleted.)

Notes on Commitment 7

(It was proposed that the question of structural adjustment should be integrated into consideration of the enabling environment, or Commitment 9, or moved to the Programme of Action.)

Proposed revision of Commitment 7

We commit ourselves to promoting adjustment policies that achieve economic and social progress by combining stabilization and market-friendly measures with human resource development and poverty alleviation. We also commit ourselves to protecting the vulnerable and people living in poverty from any negative impacts of necessary adjustment measures, while ensuring that adjustment policies accord priority attention to enhancing the earning power of the poor.

To that end, at the national level, we shall:

(a) Move quickly to identify and reduce the policy-induced distortions in the economy which are disadvantageous to people living in poverty. The goal should be to maximize the benefits of reform for the poor while minimizing any adverse effects;

(b) Accord more attention to the allocation of public-sector spending in the formulation of adjustment strategies, eliminating inefficient spending and protecting - and increasing - the quality of "pro-poor" social expenditure;

(c) Undertake widespread consultation and discussion inside the Government and with broad elements of civil society on reform programmes to increase public ownership of such programmes;

To that end, at the international level, we shall:

(d) Request that donor-supported adjustment programmes address the impact of macroeconomic and adjustment measures and their sequencing on poverty, employment, investment and the environment;

(e) Request that the multilateral development banks and other donors strengthen their efforts to establish cost-effective and well-targeted safety nets to protect the most vulnerable from the negative impacts of necessary adjustment measures.

Notes on Commitment 8

Proposed addition

Request the Secretary-General of the United Nations immediately to establish a commission to recommend new international revenue measures for funding programmes to address global social problems, other aspects of social and economic development, and disaster relief.

Proposed addition

Encourage the flow of private funds, particularly in the form of foreign direct investment in developing countries, possibly in the form of joint ventures with domestic investors, not only in commercial or industrial enterprise but also through privatization in infrastructure projects and the provision of basic amenities.

Proposed addition

Introduce taxation of consumption of non-renewable resources in order to address financing and ecological concerns, and explore other sources of funding for social development such as fee-based finance and social pension and insurance funds.

(A number of references were made to the 20/20 proposal, the Tobin fee and other possible innovative sources of financing for development.)

Six proposals of the G-77 on international financing for social development

1. Structural adjustment programmes

Structural adjustment programmes should be oriented to social development goals regarding eradication of poverty, generation of productive employment and promotion of social integration. Specifically, structural adjustment programmes should not reduce expenditure on basic needs such as food, health, shelter, education, physical infrastructure, supply of water, since such reductions disproportionately injure the weakest and poorest segments of society. The World Bank, IMF and other multilateral financial institutions should be requested to reflect social development goals in their policies, programmes and operations. (See Commitment 7.)

2. Debt swap for social purposes

(a) Cancellation of the public debt of African countries and the least developed countries by a target date/dates, depending on conditions in the country/region, with sub-Saharan African countries to be given priority over all others;

(b) General reduction in the debt of other developing countries, in a definite time-frame;

(c) A commitment from the countries whose debts are cancelled or reduced, to the effect that the resources released shall be invested in social development programmes.

3. Reduction of multilateral debt of the developing countries by means such as those recently envisaged in Madrid

4. ODA target of 0.7 per cent

Fulfilment of the target of 0.7 per cent of GNP for ODA in a given time-frame. (See Commitment 8.)

5. Operational activities

Increase the financing of operational activities of the United Nations and specialized agencies in the field of social development. (See Commitment 8.)

6. New and additional resources

Commitment for new and additional resources for the attainment of the goals of the Social Summit. (See Commitment 8.)

Proposal by the European Union on national and international resources

Rationale

The resources for development are manifold: partly of domestic origin and partly of international origin; partly private, partly public. Generating,

mobilizing and allocating those resources efficiently is a joint responsibility for all actors: developing and industrialized countries, Governments, households and non-governmental organizations, domestic and foreign business companies, international institutions. Economic and institutional linkages between resource categories and division of labour between actors call for a comprehensive and integrated approach.

Commitment 8

With a view to achieving the goals of the Summit, we shall increase in a significant way and allocate more efficiently, through national action and international cooperation, the resources assigned to social development.

To this end, at the national level, we shall:

(a) Carry out macroeconomic and structural policies aimed at increasing productive investments and domestic savings so as to ensure a stable growth basis to support sustainable social development; in this regard, access to productive resources (credit, land, education), especially for small and medium enterprises, for the rural sector and, with a view to its gradual integration, for the informal sector, can considerably improve both equity and efficiency in developing and transition economies;

(b) Ensure that taxation systems are economically and environmentally efficient, fair, and progressive, so that people and business enterprises that have a greater capacity to pay make larger contributions;

(c) Reduce excessive military expenditures and reflect the following priorities in our budgetary allocations: education, training, shelter, primary health care, including reproductive health-care services, clean water and sanitation;

(d) Ensure accountability and fight corruption in the collection of taxes and in the use of public resources;

(e) Diversify the sources of funding for social programmes and infrastructure of good quality and accessibility, including recourse, where appropriate, to privatization based on fair competition.

At the international level, we shall:

(a) Contribute to increasing the flow of international finance, technology and human skill in order to transfer sufficient and adequate resources for development towards the developing and transition countries, through further liberalization of international markets and through domestic policies geared to attracting and absorbing those market resources transfers;

(a) bis. Encourage direct cooperation between operators and promote foreign direct investment and technology tie-ups through joint ventures in various sectors, including the sector of social programmes and infrastructure;

(b) Implement the Uruguay Round faithfully, as scheduled, including the complementary provisions specified in the Marrakesh Agreements, in recognition of the fact that broadly based growth in incomes, employment and trade are mutually reinforcing; (ex. 9b)

(c) Monitor the impact of trade liberalization on progress made in developing countries to meet basic human needs, giving particular attention to new initiatives to expand their trade possibilities; (ex. 9c)

(d) Strive for the fulfilment of the agreed target of 0.7 per cent of GNP for overall official development assistance as soon as possible and increase the share of funding for social development programmes, commensurate with the scope and scale of activities required to achieve the objectives and goals of this Declaration and its Programme of Action; give high priority in ODA to the fight against poverty and to the least-developed countries, in particular those in Africa; (ex. 9a)

(e) Ensure the urgent implementation of existing debt-relief agreements and negotiate further initiatives to alleviate the debts of severely indebted countries at an early date, especially through more favourable terms of debt forgiveness, including reduction of the stock of the debt for certain low-income countries. Where appropriate, the poorest and most heavily indebted countries - especially those in Africa - should be given a reduction in their bilateral official debt sufficient to help enable them to exit from the rescheduling process and support economic reforms. We should encourage all international financial institutions to examine proposals and determine how they can best deal with the problems of the poorest countries. (ex. 9d)

In the field of international cooperation and international financial assistance, attention must be given to the needs of the countries with economies in transition.

Notes on Commitment 9

Proposed alternative 9 (a) - Language taken from Rio Declaration

(a) Fulfil the agreed target of 0.7 per cent of GNP for overall official development assistance as soon as possible but not later than the year 2000 and endeavour to increase funding for social development programmes, commensurate with the scope and scale of activities required to achieve the objective and goals of the Declaration and its Programme of Action.

Proposed alternative 9 (a)

(a) We commit ourselves to not reducing the total flow of official development assistance from the current flow.

Proposed alternative 9 (f)

(f) Schedule a follow-up meeting to review progress in the implementation of the Summit's Programme of Action and to agree on further initiatives, as necessary.

Proposed addition

Take measures to compensate developing countries, especially African countries, adversely affected by the outcome of the Uruguay Round.

Proposed addition

Develop effectively the framework for international cooperation in economic and social issues which were agreed upon in, inter alia, the Charter of the United Nations, the International Development Strategy for the Fourth United Nations Decade, the Declaration on International Economic Cooperation, in Particular the Revitalization of Economic Growth and Development of the Developing Countries, and Agenda 21.

Proposed alternative 9 (f)

(f) Schedule, by the year 2000, a mid-term review of progress on the implementation of the Summit agreements in order to consider further initiatives and the possibility of a second world summit on social development.